

MONTANA LEGISLATIVE BRANCH


Legislative Fiscal Division

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Legislative Fiscal Analyst
CLAYTON SCHENCK

DATE: June 5, 2008

TO: Legislative Finance Committee

FROM: Taryn Purdy 

RE: Operating Plan Changes

The Office of Budget and Program Planning submitted an additional three operating plan changes that meet the criteria in Section 17-7-138 for referral to the LFC prior to approval. The attached memorandum from OBPP explains the proposed changes.

Staff has reviewed the proposed changes and raises no issues.

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OFFICE OF THE GOVERNOR
BUDGET AND PROGRAM PLANNING
STATE OF MONTANA

RECEIVED

JUN 04 2008

LEGISLATIVE
FISCAL ANALYST

BRIAN SCHWEITZER
GOVERNOR



CAPITOL BUILDING - P.O. BOX 200802
HELENA, MONTANA 59620-0802

To: Clayton Schenck, Legislative Fiscal Analyst
Legislative Fiscal Division

From: David Ewer, Budget Director
Office of Budget & Program Planning

Date: June 4, 2008

Subject: LFC Review & Comment on Operating Budget Changes and Program Transfers

In accordance with 17-7-138, MCA, the Governor's Office of Budget and Program Planning is submitting three additional operating plan changes that will exceed \$25,000 and 25% of a budget category for review and comment at the June Legislative Finance Committee meeting. One of these changes is a FY 2009 adjustment but is being submitted so the agency can proceed before the September LFC meeting.

- The **Judicial Branch** is requesting an adjustment of \$252,992 from the Equipment budget to the Operating budget for the Law Library. In the process of reviewing assets to ensure compliance with State Accounting Policy in MOM Vol. II, Chapter 1700 (Capital Asset Accounting) it was discovered that purchases recorded as capital asset expenditures do not meet the definition of a capital asset but should be recorded as operating or repair and maintenance expenditures. Per State policy, Library Book Collections (expenditure account 63125) should be recorded as capital asset expenditures. Included in this account were items such as audio visuals, microforms, books purchased for library staff and updates to existing treatises. Updates to existing treatises accounts for the majority of the adjustment totaling \$238,666. [21100 050 OP099]
- The **Department of Fish, Wildlife and Parks** is requesting a FY 2009 adjustment be done in the amount of \$48,929. The department is requesting that Equipment budget be transferred to the Grants budget. This transfer was inadvertently made on a previous budget change document (BCD) which should have only affected FY 2008. [52010 395 OP610.2]
- The **State Auditor's Office** requests a FY 2008 total adjustment of \$3,950,988 from Operating Expense budget category to Benefits and Claims budget category within Insure Montana's org budgets for Premium Assistance and Tax Credits. \$2,368,393 of appropriation was incorrectly set up in the Operating Expense budget category for Premium Assistance during turnaround; the agency has requested that these funds be moved to the Benefits and Claims budget category for Premium Assistance which is where the expenditures will occur. \$1,582,595 of appropriation was incorrectly set up in the Operating Expense budget category for Tax Credits during turnaround; the agency has requested that these funds be moved to the Benefits and Claims budget category for Tax Credits which is where the expenditures will occur. [34010 135 OP833]

We have reviewed these requests and find them to be in compliance with state and federal laws and policies. The transaction documents are available for you and your staff in our guest directory. Please let us know if you have questions or wish additional information.

CC: Taryn Purdy
Becky Buska
Sue Daly
Eileen Rose